



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

February 17, 2006

Philip Roy Jr., Treasurer
Maine Republican Party
76 Silver Street
Waterville, ME 04901

Response Due Date:
March 20, 2006

Identification Number: C00003111

Reference: Year-End Report (7/1/05 – 12/31/05)

Dear Mr. Roy:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Your Year-End Report does not disclose any payments for salary or wages on Schedule B supporting Line 30(b) of the Detailed Summary Page. 11 CFR §100.24 defines as Federal Election Activity, services provided by an employee of a State, district or local party committee who spends more than 25 percent of their time during that month on activities in connection with a Federal election. You are advised that payments for salaries and wages for employees who spend more than 25 percent of their compensated time in a given month on Federal Election Activity or activities in connection with a Federal election must be made with Federal funds only. Please provide clarification regarding the lack of payments for salary and wages disclosed by your committee.

-Your Year-End Report discloses limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Each state, district or local party committee utilizing separate federal and non-federal accounts is required to allocate any administrative expenses (excluding salary) between the accounts according to a fixed percentage selected on Schedule H1. A Schedule H1 must be filed with the first FEC FORM 3X

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filed at the beginning of each calendar year. Payments for salary and wages for employees who spend more than 25% of their compensated time on Federal election activities or on activities in connection with a Federal election must be made from a federal account and disclosed on a Schedule B supporting Line 30(b) of the Detailed Summary Page. 11 CFR §106.7

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be provided during each two year election cycle beginning with the first report filed in the non-election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedules B and H4 of your report to clarify the following descriptions: "Event Expense," "Special Event - Douglas," and "Grassroots Development." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-Please amend your report by providing the payee and purpose for each disbursement itemized on Schedule H4 supporting Line 21(a).

-Schedule H4 of your report discloses a payment to the City of Portland, which is categorized as an Administrative expense; however, the purpose of disbursement disclosed is "Acquire Voter List." Please be advised that payments made for your committee's generic voter drive activities, that do not qualify as Federal election activities and that are not party exempt activities, should be categorized as a Voter Drive expense on Schedule H4. Please amend your report to clarify the appropriate category for this activity or provide clarifying information regarding this apparent discrepancy.

-Please clarify all expenditures made for "Event Expense," "Snowe Fundraising Letter," "Special Event - Douglas" and "Special Event Invitation" on Schedule B. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount

should be disclosed on Schedules B, E, or F supporting Lines 23, 24 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

-Please clarify all expenditures made for "Event Expense" on Schedule H4. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedules B, E, or F supporting Lines 23, 24 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §§104.3(b) and 106.1

Alternatively, if the payments on Schedule H4 are associated with fundraising activity conducted for your committee's federal and non-federal accounts, they must be allocated according to the funds received method and the ratio reflected on Schedule H2. Further, they must be categorized as fundraising activities on Schedule H4. Please provide clarifying information regarding the nature of these transactions and amend your report(s) as appropriate.

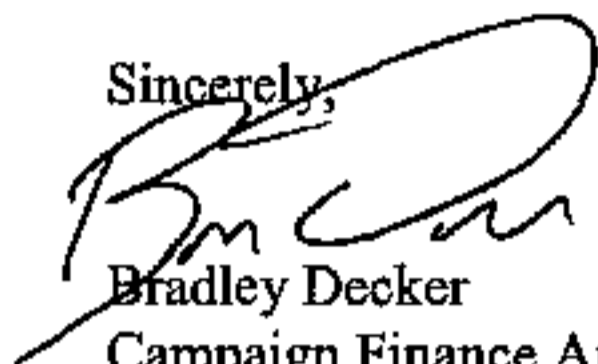
-Schedule H4 of your report discloses a reimbursement to an individual for apparent travel and subsistence advances in which the total amount reimbursed exceeds \$500. When the reimbursement amount to staff for travel and subsistence advances exceeds \$500, the payments by committee staff that make up the reimbursement have to be itemized as memo entries regardless of the amount. Each memo entry must include the complete name and address of the original vendor, as well as the date, amount and an adequate purpose. Please amend your report to include the missing information and clearly identify on the Schedule H4, which reimbursement each memo entry relates to. 11 CFR §§104.10 and 104.17, and Advisory Opinion 1996-20, footnote 3

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended.

If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1301.

Sincerely,

A handwritten signature in black ink, appearing to read "Bradley Decker", written over the typed name.

Bradley Decker

Campaign Finance Analyst
Reports Analysis Division

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